

Governor Timothy M. Kaine Transportation Plan

Senate Finance Committee

**Pierce R. Homer
Secretary of Transportation
February 8, 2006**

Transportation Budget As Introduced

\$625 Million in Additional Transportation Investment

- \$286 Million to meet commitments of VTA of 2000
 - \$229 Million Auto Insurance Premium Taxes
 - Offset FRAN debt service impact on Highway Construction
 - \$57 Million – Balance of 1/3rd of Insurance Premium Taxes
 - Mass Transit Capital Fund to return state share to at least 50%
 - Ongoing, stable, long-term commitment

Transportation Budget As Introduced

\$339 Million in One-Time Support to Priority Projects

- \$142 Million to provide required state match for federal earmarks
 - Avoid disruption to existing program
 - 154 Congressional earmarks
- \$143 Million to advance major mobility federal projects
 - METRO railcar storage, VRE railcars, Statewide bus purchase
 - I-66 WB, I-264/64 interchange, Route 164 Rail Relocation, Route 460 Coalfields Connector
 - Telework initiative
- \$54 Million integrated port initiative
 - Route 460 intermodal facility, Route 58 Hillsville Bypass³

Governor's Transportation Principles

- Accountability
 - Protecting Transportation Revenues for Transportation
- Improve Coordination of Land Use and Transportation
 - Uniform Traffic Impact Statements
 - Local Rezoning Authority
 - Voluntary Transfer of Development Rights
 - Regional Transportation and Land Use Performance Measures
- Adequate Funding
 - Stable, Long-term Investment to Address Virginia's Needs
 - Fair and Transparent Allocation

Governor's Transportation Funding Goals

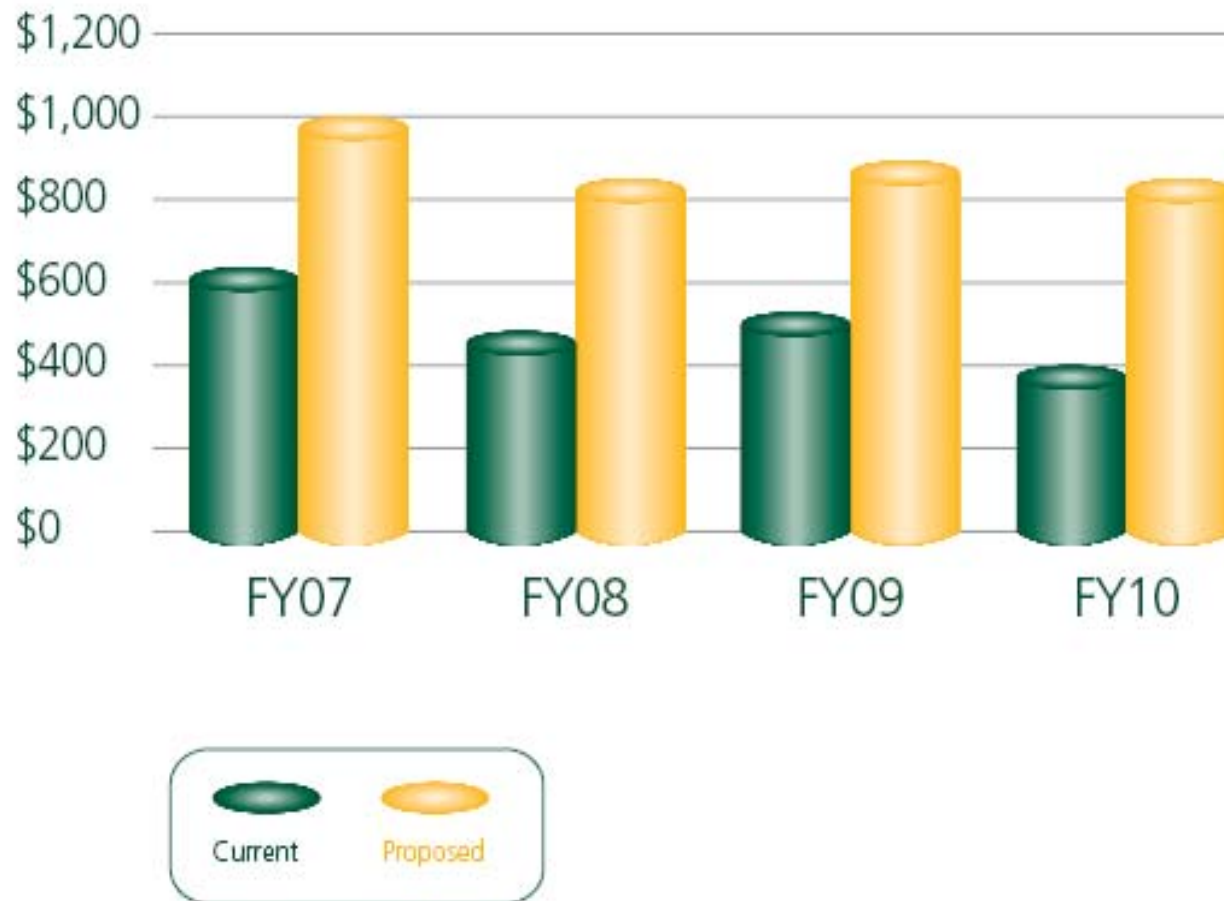
- Meet 1986 Statutory Transit Capital Goal
- Return to 1986 Standard of “Stand-Alone” Maintenance and Operating Fund
- Meet 2000 Commitment to Support FRAN Debt
- New Initiatives
 - Expand Local Partnerships
 - Attract Additional Private Capital
 - Protect Critical Corridors
 - Improve Demand Management

Sources	<u>FY 07</u>	<u>FY 08</u>	<u>FY 09</u>	<u>FY 10</u>	<u>Four-year Total</u>
Motor Vehicle Sales & Use Tax					
Equalize with retail sales and use tax	\$ 380.70	\$ 422.40	\$ 426.70	\$ 434.40	\$ 1,664.20
Insurance Premiums					
1/3 insurance premiums	\$ 138.80	\$ 146.70	\$ 146.70	\$ 146.70	\$ 578.90
Adjust auto insurance premium tax	\$ 111.30	\$ 117.60	\$ 117.60	\$ 117.60	\$ 464.10
Motor Vehicle Registration & Titling Fees					
Weight-based registration fees	\$ 72.80	\$ 73.70	\$ 74.44	\$ 75.18	\$ 296.12
Driver Fees					
Abusive driver fees	\$ 67.20	\$ 89.30	\$ 111.40	\$ 133.50	\$ 401.40
Other					
One-time General Funds	\$ 339.00	\$ -	\$ -	\$ -	\$ 339.00
Total	\$ 1,109.80	\$ 849.70	\$ 876.84	\$ 907.38	\$ 3,743.72
Uses					
Increase Local Cost Sharing	\$ 62.50	\$ 67.50	\$ 67.50	\$ 67.50	\$ 265.00
Increase Mass Transit	112.60	152.95	157.83	163.33	586.71
Protect Corridors	25.00	50.00	50.00	50.00	175.00
Improve Statewide Planning	3.50	3.64	3.79	3.94	14.86
Manage Demand	10.00	10.00	12.50	12.50	45.00
Capitalize Transportation Partnership Opportunity Fund	50.00	67.50	75.00	47.00	239.50
Eliminate Maintenance Deficit/Increase Highway Construction	369.10	354.00	384.00	416.00	1,523.10
Match One-Time Federal Highway Projects	312.90	-	-	-	312.90
Match One-Time Federal Transit and Rail Projects	26.10	-	-	-	26.10
Plan Craney Island Expansion	15.00	14.00	-	-	29.00
Implement Real ID and IT initiatives at DMV	10.00	10.40	10.82	11.25	42.46
Pay FRAN debt service/Increase Highway Construction	111.30	117.60	109.40	135.00	473.30
	\$ 1,108.00	\$ 847.59	\$ 870.83	\$ 906.52	3,732.94

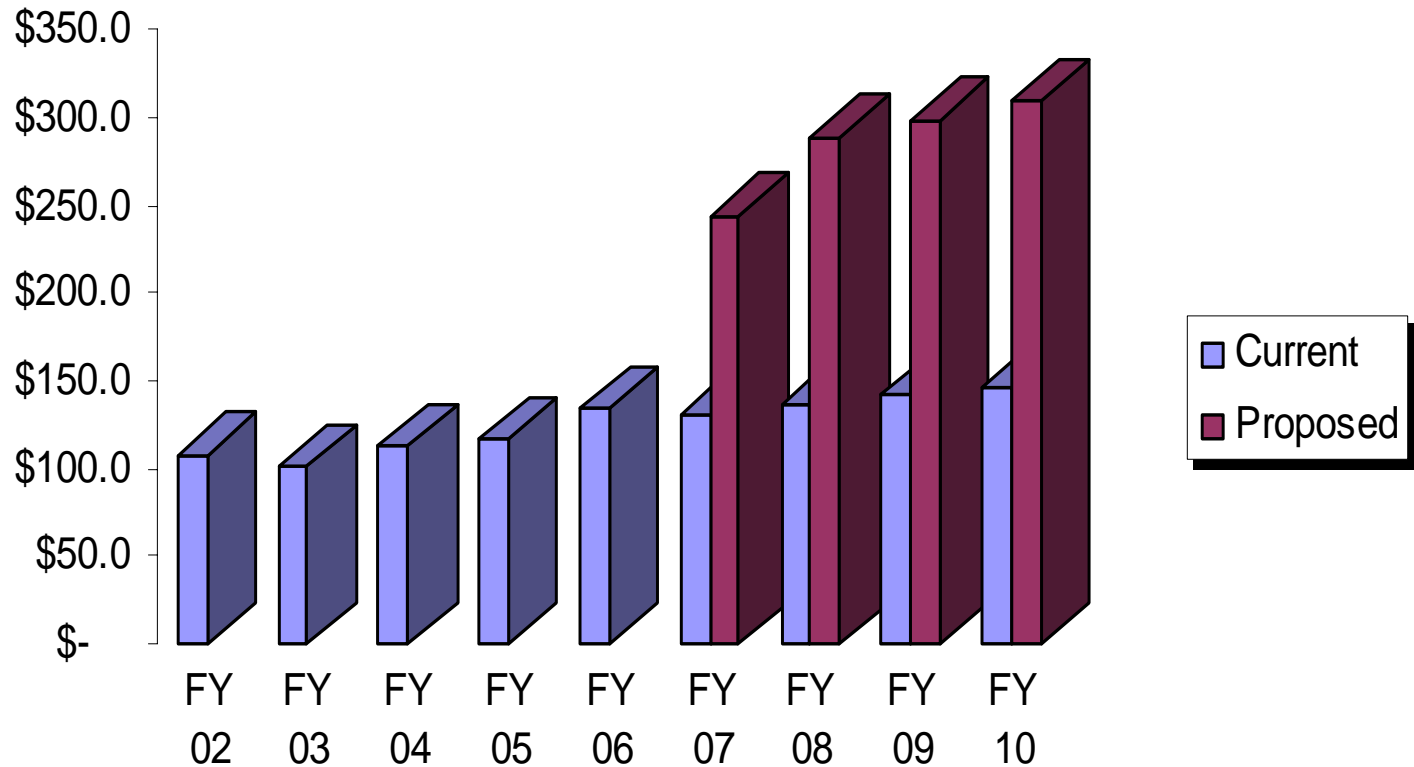
User Fees

- Weight-Based Registration – heavy vehicles increase system needs
 - Under 2,499lbs (11% of vehicles): no change
 - 2,500–3,599lbs (44% of vehicles): \$8 annual increase
 - 3,600+ (45% of vehicles): \$13 annual increase
- Auto insurance bill would increase an average of \$1.50/month
- Equalize Motor Vehicle Sales Tax at 5%
 - Additional \$231 on average vehicle sale (\$11,527) – \$4/month over 5yrs
 - Additional \$515 on average new vehicle sale of \$25,500 – \$10/month over 5yrs
- Targeted Abusive Driver Fee
 - Conviction fees for serious offenses
 - Demerit Point fees for repeat offenders (8 points or greater)

Primary, Secondary & Urban Construction (in millions)



Double Mass Transit



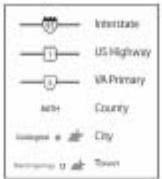
PPTA/Tolling to Achieve Comparable Interstate Corridor Enhancements

- Limited Access
- Few Alternative Routes
- Interstate (Federal Limitations)
- Bridges and Tunnels
- “Greenfield” Tollways
- 20% to 25% of Total Need

PUBLIC PRIVATE TRANSPORTATION ACT & TOLLING OPPORTUNITIES

1/20/05

PROPOSED - ACTIVE - COMPLETED - OPPORTUNITIES



Tolling Principles

- Facilities must self-finance construction, maintenance operations, and repayment of borrowed monies
- Private and public partners must share risk of construction costs and traffic estimates, as well as commensurate rewards
- Tolling structures must help manage congestion

Tolling Principles (Cont'd)

- Retain toll revenues in the corridor where they are generated
- Multimodal solutions within tolled corridors (eg. Free HOV usage or dedication of surplus toll revenues to transit in the corridor)
- Stable, professional partnership program

Cost of Delay

- FY2010: Six-Year Program Commits All State Highway Funds to Maintenance or Matching Federal Dollars
- FY2011: Six-Year Program Unable to Match All Available Federal Funds
- FY2010: Transit Capital Reimbursement Below 20% and Virginia Unable to Access Additional Federal Transit Funds

Cost of Delay: One County Prince William

- FY 05 Secondary Allocation
 - \$7.4m or 4.1 miles of new, 4-lane construction
- FY 10 Secondary Allocation
 - \$2.6m or 1.3 miles of new, 4-lane construction
- FY 15 Secondary Allocation
 - \$1.9m or .8 miles of new, 4-lane construction